FILE COPY

Office Supreme Court, U
FILED
APR 2 1935
CHARLES ELMORE CROP

IN THE

Supreme Court of the United States

No. 588. October Term, A. D. 1934.

THE STELOS COMPANY, INC.,
Petitioner,
vs.
HOSIERY MOTOR-MEND CORPORATION,
KAYSER HOSIERY MOTOR-MEND CORPORATION,
JULIUS KAYSER & COMPANY, a Corporation,
Respondents.

No. 653. October Term, A. D. 1934.

HOSIERY MOTOR-MEND CORPORATION,
KAYSER HOSIERY MOTOR-MEND CORPORATION,
JULIUS KAYSER & COMPANY, a Corporation,
Cross-Petitioners,
vs.
THE STELOS COMPANY, INC.,
Respondent.

BRIEF FOR HOSIERY MOTOR-MEND CORPORATION, KAYSER HOSIERY MOTOR-MEND CORPORATION, JULIUS KAYSER & COMPANY, a Corporation, AS RESPONDENTS IN No. 588 AND AS CROSS-PETITIONERS IN No. 653.

Hugh M. Morris,
Noah A. Stancliffe,
Counsel for Respondent and Cross-Petitioner, Julius Kayser & Company.

Julian S. Wooster,
Donald Malcolm,
Counsel for Respondents and Cross-Petitioners, Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation.

Dunlap Printing Co., 1315-29 Cherry Street

SUBJECT INDEX

	PAGE
OPINIONS BELOW	1
JURISDICTION	2
QUESTIONS PRESENTED	2
STATEMENT OF CASE	2
The Patent and Claim in Suit	2
Alleged Infringing Method	4
Disclaimers of the Patent in Suit	5
Decisions of Courts Below	6
History of the Patent in Suit	6
The Stelos Commercial Method	8
Plaintiff's Commercial Success Has Been Due to Its Magnetized Needle. It Has Never Licensed Its Method Apart from Its Needle	9
The State of the Art	10
Prior Uses of Claimed Method	11
The Record in the Case at Bar Differs Substantially from Record in Other Cases	11
ERRORS ASSIGNED AND TO BE RELIED UPON	12
SUMMARY OF ARGUMENT	13
ARGUMENT:	
I. THE CLAIM IN SUIT IS INVALID.	
A. The Disclosure of "a Porcelain Dish" as "a Suitable Holder" Does Not Meet the Requirements of R. S. 4888, Nor Does It Meet the Requirements of R. S. 4920 if the Egg Cup Was Known to the Patentee, as He Says It Was, When the Patent Was Applied For	14
B. The Claim Does Not Particularly Point Out and Distinctly Claim the Improvement Now Asserted by Plaintiff as the Invention or Discovery	19
C. Invention, in View of the State of the Prior Art, Is Wholly Wanting	24
D. Stephens Was Not the Original and First Inventor of the Alleged Invention of the Claim	28
E. Hartzell, Rohrbach and Others Used the Claimed Method Years Before Stephens' Filing Date	31

II. DEFENDANTS DO NOT INFRINGE. PAGE

A. The Claim Is Expressly Limited to a Pivoted Latch Needle, Functionally as Well as Structurally 35

1. "Laterally Out of Alignment with the Run," as Used in the Claim, Means at the Side of the Vertical Plane of the Run. It Does Not Mean "Above the Horizontal Plane of the Fabric." To Function Effectively the *Pivoted* Latch Needle of Plaintiff Must Be Held Diagonally of the Run 35

2. "Catching the Next Forward Thread in the Hook *While* the Loop Is Being Pulled Over the Latch, *Causing the Latch to Close Over the Thread*" Can Be Done by a *Pivoted* Latch Needle Only 37

B. Defendant, Julius Kayser & Company, Has Not Been Engaged in Repairing Runs, Nor Is It a Contributory Infringer 39

C. The Remaining Defendants Have Not Used a *Pivoted* Latch Needle. They Have Used a *Sliding* Latch Needle Only 41

1. Defendants Do Not Hold Their *Sliding* Latch Needle "Laterally Out of Alignment with the Run." So Held It Would Not Function 41

2. The Latch of the *Sliding* Latch Needle Used by Defendants Does Not and Cannot "Close Over the Thread" 46

CONCLUSION 48

APPENDIX A (Stephens-DeMarr Descriptions) 49

APPENDIX B (Stephens-Pogson Descriptions) 50

TABLE OF CASES

	PAGE
Beidler *vs.* United States, 253 U. S. 447, 452, 453	17
Burnet *vs.* Commonwealth Imp. Co., 287 U. S. 415	40
Clark Thread Co. *vs.* Willimantic Linen Co., 140 U. S. 481	30
Donnell *vs.* Herring Hall Safe Co., 208 U. S. 267	40
Electric Signal Co. *vs.* Hall Signal Co., 114 U. S. 87, 96.	45
Elevator Supplies Co. *vs.* Graham & Norton Co., 44 Fed. (2d) 354	44
Finch Corporation *vs.* Stelos Co., 46 Fed. (2d) 607	25
Fulton Co. *vs.* Powers Regulator Co., 263 Fed. 578, 580.	17
Goodyear Mach. Co. *vs.* Spaulding et al., 101 Fed. 990.	45
Hall-Borchert Dress Form Co. *vs.* Ellaman A. Form Co., 213 Fed. 341, 342 (CCA 2)	46
Lovell *vs.* Seybold Mach Co., 169 Fed. 288, 290	45
Milburn Co. *vs.* Davis, Etc., Co., 270 U. S. 390	29
Motion Picture Co. *vs.* Universal Film Co., 243 U. S. 502, 37 Supt. Ct. 416, 418	39
Outlook Envelope Co. *vs.* General Paper Goods Mfg. Co., 239 Fed. 877, 879 (CCA 2)	46, 47
Owl Fumigating Corporation *vs.* California Cyanide Co., 30 Fed. (2d) 812	40
Permutit Co. *vs.* Graver Corp., 284 U. S. 52, 57, 58	17
Peterson *vs.* Chicago R. I. & P. Co., 205 U. S. 364	40
Pierce *vs.* National Bank of Commerce, 13 Fed. (2d) 40	40
Pullman Palace Car Co. *vs.* Missouri Pacific R. Co., 115 U. S. 587	40
Sewall *vs.* Jones, 91 U. S. 171, 184, 185	17
Singer Co. *vs.* Cramer, 192 U. S. 265, 24 Sup. Ct. Rep. 291, 299	38
Steward *vs.* American Lava Co., 215 U. S. 161, 165-167.	17

PAGE

Tostevin-Cottie Mfg. Co. *vs.* M. Ettinger Co., 254 Fed. 434 (CCA 2) 46

Typewriters Hilliardized, Inc., *vs.* Corona Typewriter Co., 43 Fed. (2d) 961, 964 17

United States Code (R. S. §4888), Title 35 14

Vogt Instant Freezers *vs.* New York Eskimo Pie Corp., 69 Fed. (2d) 84, 88 47

Westinghouse *vs.* Boyden Power Brake Co., 170 U. S. 537 44

Yale Lock Mfg. Co. *vs.* Greenleaf, 117 U. S. 554, 559.... 17

IN THE

Supreme Court of the United States

October Term, A. D. 1934. No. 588.

THE STELOS COMPANY, INC.,

Petitioner,

vs.

HOSIERY MOTOR-MEND CORPORATION, KAYSER HOSIERY MOTOR-MEND CORPORATION, JULIUS KAYSER & COMPANY, a corporation,

Respondents.

October Term, A. D. 1934. No. 653.

HOSIERY MOTOR-MEND CORPORATION, KAYSER HOSIERY MOTOR-MEND CORPORATION, JULIUS KAYSER & COMPANY, a corporation,

Cross-Petitioners,

vs.

THE STELOS COMPANY, INC.,

Respondent.

BRIEF FOR HOSIERY MOTOR-MEND CORPORATION, KAYSER HOSIERY MOTOR-MEND CORPORATION, JULIUS KAYSER & COMPANY, a Corporation, AS RESPONDENTS IN No. 588 AND AS CROSS-PETITIONERS IN No. 653.

OPINIONS BELOW.

The opinion of the District Court is reported in 60 Fed. (2d) 1009 (R. III, p. 1266).

The opinion of the Circuit Court of Appeals is reported in 72 Fed. (2d) 405 (R. III, p. 1341).

JURISDICTION.

The cases are here upon writs of certiorari to the Circuit Court of Appeals for the Second Circuit granted upon the petition of the plaintiff, The Stelos Company, Inc., and upon the cross-petition of the defendants, Hosiery Motor-Mend Corporation, Kayser Hosiery Motor-Mend Corporation and Julius Kayser & Company, under the provisions of U. S. Code, Title 28, Sec. 347.

QUESTIONS PRESENTED.

In this suit for infringement of Claim 23 of the patent to Stephens, Re. 16,360 for a method of repairing runs or ravelings in a fabric, the questions presented in this Court are whether the claim in suit is invalid and, if not, whether it is infringed by the method, using a *sliding** latch needle, employed by Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation, successively, in repairing runs in hosiery.

STATEMENT OF THE CASE.

The Patent and Claim in Suit.

This is a patent infringement suit in equity. The patent in suit (R. III, 962) is Reissue No. 16,360, granted June 8, 1926, to The Stelos Company, Inc., as assignee of Frank C. Stephens. The original patent, No. 1,564,379, issued December 8, 1925, upon application of Frank C. Stephens, filed September 5, 1923.

The patent relates to (R. III, 962, lines 1-4) "an improvement in needles and *its* method of use" * * * for repairing runs or ravels in knitted goods. The needle (R. III, 963, lines 3-23) is a magnetized self-opening *pivoted*

* All italics are counsels' unless otherwise noted.

latch needle having a side guard attached at the handle end to the right-hand side of the needle. Twenty-two claims, eight of which were added in the Reissue, relate to the needle. The 23d claim or last claim, and the only claim in suit, is for "an improved *method* of repairing runs or ravelings in a fabric."

The method claim of the original application was numbered 10. It was rejected by the Examiner April 25, 1924 (R. 1365). The present claim was substituted therefor on August 27, 1924, and allowed September 4, 1924. In the original patent it was the 15th claim. The claim, with the limiting words here most involved italicized, reads thus: R. III, 965.

> "An improved method of repairing runs or ravelings in a fabric which consists in
>
> stretching the fabric over a *suitable holder*,
>
> inserting a repairing device having a hook and *pivoted* latch through a loop formed in the run or raveling,
>
> continuing this movement on through the fabric while holding the device *laterally out of* alignment with the run or raveling *until the loop has slid back over the end of the latch and beneath the latter*, then reversing the movement of the device through the loop,
>
> catching the next forward thread in the hook *while the loop is being pulled over the latch, causing the latch to close over the thread*, and the loop to be cast off over the end of the device, the thread caught in the hook thereupon forming a new loop, taking the place of the first-described loop,
>
> then reinserting the device into the fabric as before, and repeating the operation until the run or raveling has been repaired, and finally fastening the thread."

The only suitable holder described in the patent is a "porcelain dish allowing sufficient depth for the free use of

the needle" (R. III, 962, lines 12-14). The testimony discloses that not all porcelain dishes are suitable holders and that an egg cup is the only porcelain dish that is known to be a suitable holder (R. I, 104, 105, 128; R. III, 907, XQ 744, XQ 748; R. III, 908, XQ 749).

Alleged Infringing Method.

The defendant, Julius Kayser & Company, has not been engaged in repairing runs. It is alleged to be a contributory infringer only because of its ownership of some of the shares of capital stock of the defendant, Kayser Hosiery Motor-Mend Corporation (R. I, 216-221, 253-254).

The remaining defendants, Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation, have, successively, used, in repairing runs in a stocking stretched over a holder, a non-magnetized thread actuated *sliding* latch needle described, claimed and illustrated in patent to Finch No. 1,674,508 (R. 1366A). It has been so used in the "Vanitas" machine for repairing runs described, illustrated and claimed in patent to Van Dyke, No. 1,745,462 (R. III, 996). It is illustrated in operation at R. III, 1331.

The mode of operation and functions of a *pivoted* latch needle are shown by the patent in suit. It is a hinged door (R. III, 801) that in operation swings from wide open to closed position and *vice versa,* through an arc of approximately 180 degrees. Its stroke is necessarily as long as twice the length of the latch. Long strokes produce vibration. The *sliding* latch needle operates and functions as a bolt, or sliding door, not as a latch or swinging door (R. III, 604, 801). The stroke of the sliding latch needle is short. So vibration is avoided. A material function of the *pivoted* latch needle of the patent is to reach for and grasp the thread to be looped and force it into the hook (R. III, 962, lines 45-47; 963, lines 41-45, 101-104; 964, lines 20-21), which function, defendants believe, is expressed

in the claim by the words "causing the latch to close *over the thread.*"

To function properly the *sliding* latch needle, having a notch in the latch perpendicular to the longitudinal axis of the bolt or latch, must be held substantially in the vertical plane passing through the run (R. II, 620-621; R. II, 537-539). Defendants do not hold it "laterally out of alignment with the run" (disputed by plaintiff), particularly within the meaning of that phrase as used in the claim in suit. (Contrast R. II, 620-621, folio 1860-1861, with R. II, 539, folio 1617.)

Defendants' sliding latch needle does not, and physically cannot, permit the loop to slide back over the end of the latch and beneath it as required by the claim. The *sliding* latch does not close "over the thread," *i. e.*, it does not reach for and grasp the thread or force it into the hook as does the *pivoted* latch needle of the patent in suit. The sliding latch merely closes the hook after the thread is in the hook.

Sliding latch needles were disclosed as early as 1865 (R. III, 1029-1050).

In his patent for a *pivoted* latch needle, Stephens said (R. III, 962, lines 3-5):

> "In repairing the runs or ravels in knitted goods, other needles have been used, but they are not practical."

Disclaimers of the Patent in Suit.

The patent in suit on its face disclaims any other needle than the disclosed pivoted latch needle so operated as to cast the object thread into the hook. Two among several instances are as follows:

> "With other needles used for a similar purpose, the latch or bridge must be forced open by pressing against the thread or fabric and, in operation, can be opened in no other way. This has a tendency to catch the hook in the fabric or thread, and interfere with the work. The present invention overcomes this objection by reason of

its peculiar construction. This, together with its magnetized area compels the latch to fly open at the proper time and greatly simplifies the work."

Decisions of Courts Below.

The District Court, by Judge Woolsey, held (60 Fed. (2d) 1009, R. III, 1266) the claim in issue invalid for want of an adequate disclosure of a suitable holder; anticipation by Pogson's British patent filed in the United States Patent Office September 15, 1921 (R. III, 1127) and non-invention in view of patent to Ceska (R. III, 1061) of April 20, 1920; but that even if valid, the limitations of the claim prevent its embracing defendants' method which employs a *sliding* latch needle and that consequently, defendants do not infringe. The decree (R. III, 1280) dismissed the bill of complaint.

The Circuit Court of Appeals for the Second Circuit upon appeal by The Stelos Company, Inc., held the disclosure of the patent adequate; no anticipation by Pogson; that Stephens was not the first inventor of an open holder over which to stretch a knitted fabric for repair, citing patents to Semonsen and Ceska (R. III, 1061, 1069 and 1073); that the clause of the claim "while holding the device laterally out of alignment with the run" meant not that the needle should be held at a substantial angle to the plane of the fabric, but that it should be held diagonally of the run. It reversed the decree below so far as it declared Claim 23 invalid and affirmed that decree so far as it dismissed the bill for non-infringement. 72 Fed. (2d) 405 (R. III, 1341.)

History of the Patent in Suit.

The business of Frank C. Stephens, the patentee, was mining. In 1921 or 1922 he was engaged in that business in Mexico. He had had nothing whatever to do with knitting (R. I, 120). While there he saw a Mexican woman, Mrs.

DeMarr, repairing a run in a stocking with a *pivoted* latch needle while holding the run of the stocking stretched over her finger (R. I, 121). That method of repairing a run is referred to in the record as "the finger method" (R. I, 111).

On March 3, 1923, Mrs. DeMarr filed an application for U. S. Letters Patent for her needle and method of operation (R. III, 1186). The drawings for her needle and fabric are shown at R. III, 1204. The data for her application was submitted to her Washington attorney by Mr. Stephens in his own handwriting (R. I, 151, folio 453). One-half interest in the application was assigned to Mr. Stephens (R. III, 1187).

The patent office cited British patent to Walker No. 19,115, of September 5, 1923, and British patent to Pogson No. 168,817 of September 15, 1921 (R. III, 1197), and the application was abandoned.

The patent in suit was applied for by Stephens on September 25, 1923. Therein the patentee laid aside the "finger tip" as a holder for the fabric and substituted therefor "a porcelain dish." In his specification he said (R. III, 962, lines 7-14):

> "In other methods, the fabric is stretched over the finger tip, making it difficult to insert the hook beneath the thread. This objection is obviated in the present invention by stretching the fabric over a porcelain dish, allowing sufficient depth for the free use of the needle."

In his specification Stephens, *to describe what he now says is a punch method, uses* (R. III, 963-964) almost without exception, *the identical words* Mrs. DeMarr used (R. III, 1192-1193), *to describe her "finger method."*

The original method, Claim No. 10 of the application, was rejected by the Examiner as drawn to the combination of a method and a specific construction of a needle and because the alleged method was "fully disclosed in Pogson." It read thus (R. 1363B):

> "A method of needle work which consists in stretching the fabric over a suitable holder, and inserting a

needle having a magnetized, curved hook, a magnetized curved latch or bridge and a beveled side guard, through the loop of a run or raveling, grasping the adjacent thread with the latch forcing it into the hook, pulling the thread through the loop, grasping the next thread, forcing it into the hook and pulling it through the loop formed, etc., until the run or raveling is repaired."

The claim in suit was substituted by amendment for rejected Claim 10. The amendment contained distinct limitations:

1. the repairing device was restricted to one having a hook and *pivoted* latch;
2. holding the device *laterally* out of alignment with the run or raveling;
3. until the loop has slid back *over the end* of the latch and *beneath* the latter;
4. catching the next forward thread in the hook *while the loop is being pulled over the latch, causing the latch to close over the thread.*

The Stelos Commercial Method.

In its *commercial* method The Stelos Company uses, as its holder, an egg cup over which the fabric is held loosely, so the run will not be lengthened, while the needle is being inserted. After the needle is inserted the fabric is stretched tighter (R. I, 109, folio 327). The pressure is made plastic and varying. The egg cup is employed as a holder because it is a device that can be grasped in the hand; it is a device whose bottom part or base furnishes a rest for the hand and because it is small enough to enable the operator to make the operation plastic (R. I, 104, 105, 107, 113, 115).

Plaintiff now takes the position that its method—even the method of the patent—comprises the stretching of the fabric over an egg cup and using a straight line reciprocating or pumping motion of the needle through the holes in the fabric (R. I, 134). This each defendant denies.

Stephens found no porcelain dish suitable for a holder other than the egg cup. He says (R. I, 129) that he showed the egg cup to the draftsman of the patent in suit. But the disclosure of the egg cup first appeared in an abandoned patent application of Mr. Stephens filed almost four years later, on March 22, 1927 (R. III, 1218, 1239). Drawings showing the punch method likewise first appeared in the application of March 22, 1927 (R. III, 1240). The egg cup and the punch method next appear in the patent to The Stelos Company, Inc., as assignee of Dunn, *et al.*, No. 1,793,225 (R. III, 1211), application for which was filed March 27, 1929.

The last claim of that patent to The Stelos Company is precisely the same as the claim in suit with the exception that it calls for a "latch needle" instead of a "*pivoted* latch needle" and consequently, does not require the loop to slide back over "the end of" the latch "and beneath the latter." One wonders why plaintiff repeated the claim *in suit* in the patent applied for in 1929 if the patent in suit discloses a "suitable holder" and the commercial punch method of plaintiff.

Plaintiff's Commercial Success Has Been Due to Its Magnetized Needle. It Has Never Licensed Its Method Apart From Its Needle.

The Stelos Company has never granted any licenses for the claim in suit alone (R. I, 171). Plaintiff's needle and method have not superseded other needles and methods (R. II, 658-662).

Stephen's act of magnetizing his needle was a substantial improvement over the unmagnetized *pivoted* latch needle. It caused the needle to work faster (R. I, 192). The latch of the unmagnetized pivoted latch needle had to be opened by pressing it against the thread. That had a tendency to catch the latch in the fabric and interfere with the work. That disadvantage was overcome by the self-

opening magnetic needle (R. III, 962, lines 24-35). In making its sales or leases plaintiff always emphasized the magnetism and the needle (R. I, 175).

The State of the Art.

Pivoted latch needles were old in 1849 (R. III, 1025, 1027).

The use of the *pivoted* latch needle for repairing runs in fabrics was disclosed as early as November 16, 1921 (R. III, 1127-1129), almost two years before the date, September 25, 1923, on which the application for the original patent, of which the patent in suit was a reissue, was filed.

Suitable holders over which to stretch the fabric for repair were old. (R. III, 1061-1062; R. III, 1053-1054; R. III, 1039; R. III, 1071, line 46; R. III, 1074.)

Holders allowing sufficient depth for the free use of the needle were old (R. III, 1061-1062; R. III, 1053-1054; R. III, 1039).

Holders allowing sufficient depth for the free use of the needle in repairing runs in knitted fabrics are shown in the patent to Semonsen, application for which was filed June 27, 1923. (R. III, 1071, line 46; R. III, 1074, lines 25, 34-40.)

Stephens was not the first inventor of the method of continuing the movement of the repairing device or needle *on through the fabric* when repairing a run in a fabric stretched over a suitable holder. (R. III, 1071, lines 41-42, 50-53.)

Holding the needle out of the plane of the fabric stretched over a suitable holder while repairing a run therein is shown in the patents to Semonsen filed June 27, 1923 (R. III, 1069, Fig. 7, 1073, Fig. 5) or approximately three months before the filing date of the patent in suit.

Holding a *pivoted* latch needle, while repairing a run stretched over something, out of the vertical plane of the run, *i. e.*, in a plane crossing at an angle the vertical plane of the run, was disclosed by Pogson in 1921 (R. III, 1129).

Prior Uses of Claimed Method.

Runs in stockings were reknit by Hartzell, superintendent of the Kraemer Hosiery Company at Nazareth, Pennsylvania, with a pivoted latch needle having a side guard, in 1910. An entry and sketch of the needle was made by him in his note book at that time (R. II, 501). The stockings in which the runs were repaired were held over small glass jars, a drinking glass or egg cup (R. II, 504, 509, 515).

Mrs. Rohrbach began using the Hartzell pivoted latch needle with side guard in May, 1920, at the Kraemer plant at Nazareth, under the direction of Mr. Hartzell, and continued to use it (R. II, 527). Plaintiff attempted to attack the credibility of Mr. Hartzell and Mrs. Rohrbach by the testimony of Anna Kolbe, but the latter refused to say that the Hartzell needle had not been used in the Kraemer mill (R. II, 752, folio 2256). Gearhart's instruction books of 1920 and 1921 (R. III, 1012-1017) contain instructions for repairing runs with pivoted latch needles. The Auto-Knitter Instruction Book (R. III, 1172), copyrighted in 1918, R. II, 631-632, contained full instructions for picking up slipped stitches, with a latch needle.

The Record in the Case at Bar Differs Substantially from Record in Other Cases.

The DeMarr application, Stephens' half interest therein, the Stephens' abandoned application of 1927, the patent to plaintiff as assignee of Dunn (R. III, 1186; R. III, 1239; R. III, 1209), respectively; the patents to Ceska, Graf and Harley (R. III, 1061, 1053, 1039), respectively; the patents to Semonsen (R. III, 1069 and 1073), as well as the matters referred to in the foregoing paragraph with respect to prior uses appear in the Stelos litigation for the first time in the suit at Bar. No disinterested fact witness ever followed the method claimed and disclosed in the patent in suit. On the contrary all were taught the *commercial* Stelos method long after the patent in suit had issued and *without reference to it.*

ERRORS ASSIGNED AND TO BE RELIED UPON.

The Court below erred,

(1) In reversing the decree of the District Court in so far as the District Court declared Claim 23 of Reissue Patent No. 16,360 invalid.

(2) In failing to hold that Claim 23 of Reissue Patent No. 16,360 is invalid for want of invention.

(3) In failing to hold that Claim 23 of Reissue Patent No. 16,360 is invalid for the reason that Frank C. Stephens was not the original and first inventor of the alleged invention of said claim.

(4) In failing to hold that the description of the invention in the specification is not in such full, clear, concise and exact terms as to enable any person skilled in the art or science to which it appertains or with which it is most nearly connected, to use the same.

(5) In failing to hold that the claim is broader than the described invention.

(6) In failing to hold that for the purpose of deceiving the public the specification of the patent was made to cover less than the whole truth relevant to the alleged invention of Claim 23.

(7) In failing to hold that the patentee in and by his specification disclaimed, and abandoned to the public, his claimed method of use when employed with needles other than the needle of the patent in suit.

(8) In failing to hold that Claim 23 is invalid by reason of prior uses.

(9) In failing to hold that Claim 23 is devoid of patentable subject matter.

(10) In failing to hold that the claim is functional and, hence, void.

SUMMARY OF ARGUMENT.

I. The claim in suit is invalid.

A. The disclosure of "a porcelain dish" as "a suitable holder" does not meet the requirements of R. S. 4888 nor does it meet the requirements of R. S. 4920 if the egg cup was known to the patentee, as he says it was, when the patent was applied for.

B. The claim does not particularly point out and distinctly claim the improvement now asserted by plaintiff as the invention or discovery.

C. Invention, in view of the state of the prior art, is wholly wanting.

D. Stephens was not the original and first inventor of the alleged invention of the claim.

E. Hartzell, Rohrbach and others used the claimed method years before Stephens' filing date.

II. Defendants do not infringe.

A. The claim is expressly limited to a pivoted latch needle, functionally as well as structurally.

1. "Laterally out of alignment with the run," as used in the claim, means at the side of the vertical plane of the run. It does not mean "above the horizontal plane of the fabric." To function effectively the *pivoted* latch needle of plaintiff must be held diagonally of the run.

2. "Catching the next forward thread in the hook *while* the loop is being pulled over the latch, *causing the latch to close over the thread*" can be done by a *pivoted* latch needle only.

B. Defendant, Julius Kayser & Company, has not been engaged in repairing runs, nor is it a contributory infringer.

C. The remaining defendants have not used a *pivoted* latch needle. They have used a *sliding* latch needle only.

1. Defendants do not hold their *sliding* latch needle "laterally out of alignment with the run." So held it would not function.

2. The latch of the *sliding* latch needle used by defendants does not and cannot "close over the thread."

ARGUMENT.

I-A.

The Disclosure of "a Porcelain Dish" as "a Suitable Holder" Does Not Meet the Requirements of R. S. 4888. Nor Does It Meet the Requirements of R. S. 4920 if the Egg Cup Was Known to the Patentee, as He Says, when the Patent Was Applied for.

R. S. Sec. 4888, U. S. C. Title 35, reads thus:

> "Before any inventor or discoverer shall receive a patent for his invention or discovery he shall make application therefor, in writing, to the Commissioner of Patents, and *shall file in the Patent Office a written description of the same, and of the manner and process* of making, constructing, compounding, and *using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which it appertains, or with which it is most nearly connected,* to make, construct, compound, *and use the same;* and in case of a machine, he shall explain the principle thereof, and *the best mode* in which he has contemplated applying that principle, so as to distinguish it from other inventions; *and he shall particularly point out and distinctly claim the part, improvement, or combination which he claims as his invention or discovery.* The specification and claim shall be signed by the inventor."

The only holder referred to in the specification is that found in lines 10 to 14 of page 1 of the Patent. (R. III, 962), which reads thus:

> "This objection is obviated in the present invention by stretching the fabric over a *porcelain* dish, allowing sufficient depth for the free use of the needle."

The testimony of Miss Gibson (R. I, 104-105, XQ152, XQ158, XQ164); the testimony of Mr. Stephens (R. I, 113) and the testimony of Mr. Dahn (R. II, 907, XQ744, R. II,

908, XQ749, XQ751), show that no porcelain dish, other than the undisclosed egg cup, is a suitable holder.

At R. I, 104-105, XQ152, and XQ158, Miss Gibson said:

"XQ152. I show you a *saucer*. A. Yes, sir. I would say that it was not of sufficient depth for a needle. I cannot get the hose over it in the first place. I do not think I can. Yes, I have it over this saucer.

I cannot apply my method. It does not have sufficient depth, I cannot manipulate the needle properly, I cannot keep it running straight, and keep the thread straight. I have no manner of holding it. *It is too large.*

By the Court:

Q158. It is too big? A. *It would have to be something that you can stretch all the way ground, you can get your hand on all the way around, and hold it.*

I cannot stretch the run properly over the other saucer shown me because I cannot get hold and stretch it on all sides. I cannot keep it straight. When I try to stretch it, it turns sideways and every other way. I can tighten the fabric so as to bring the ladder parallel, and spaced apart, for the needle to go through.

XQ164. But still you cannot reloop it? A. Well, if I can, yes. Well, I can take a few loops, but I cannot run it properly, *I cannot get any speed because I cannot use it right.*

I can do the method that Mr. Stephens taught me, but *I have no support for my hand.* I have nothing to rest it on, nothing to rest my hand on. *I cannot use the position.* I would have to lay it on something to handle it properly. It is too big for my hand, I cannot use the position. I would have to lay it down entirely in order to change it each time. *You have to have something that you can hold on all sides and have that clearance space in between. That is by the method that Mr. Stephens taught me in order to hold it, that is the way I was taught."*

At R. I, 113, patentee Stephens said:

"After I got out my device and what I call the method, I used these different forms of stretcher, but I

wanted to get a form of stretcher where I could do it more rapidly and more conveniently. I saw that the holder somewhat similar to and like an egg cup was the most convenient and simple holder, due to the fact that I could manipulate the hose and stretch it in all directions. It was convenient and it gave me freedom with my left hand to make changes of any kind, and left that hand more or less free. I still used my left hand, that is to say, I could still use my left hand by means of using this egg cup. In other words, I had the freedom of my left hand. With reference to such things as embroidery hoops, I tried that out and I found that to involve the use of my left hand I would have to hold that embroidery hoop in that hand and work with that hand and *I saw that I would have to look further for a more suitable holder, something that I could work more freely and manipulate the hose.*"

At R. II, 907, Mr. Dahn, plaintiff's expert, said:

"XQ744. What do you consider a suitable holder? A. *I consider an egg cup a suitable holder.*"

* * *

"XQ747. You could also take one of those small butter dishes and do that, could you not? A. I should think so. I thought of that before, but not particularly well, because they are too shallow.

XQ748. All right, let us take a breakfast coffee cup, that is not too shallow, is it? A. It is too large around."

At page 908 Mr. Dahn added:

"XQ749. All right, then what is the matter with a vegetable dish—a small vegetable dish? A. I do not think you could handle a fabric over that.

XQ750. It could not be stretched over that? A. It is not suitable for run repairing.

XQ751. All right, then what is the matter with a dinner plate? A. You are getting further and further away from suitable holders. These things are not inconceivable, but they are not practicable.

XQ752. They are not suitable holders? A. They are not practical."

Obviously, not all porcelain dishes will serve as suitable holders. The testimony establishes the necessity for a holder having certain peculiarities of form and size. What these peculiarities are the patentee failed to disclose. Indeed, he emphasized his omission in the description by a like omission in his drawings.

As said by Judge Benedict in *Schneider vs. Thill*, 21 Fed. Cas. 716, 717, with respect to analogous facts:

> "It is impossible to say, of such a patent for such an invention, that it contains a description of the invention in such full, clear, and exact terms as to enable any person skilled in the art to which it appertains to make and use the same."

The failure of the patentee to disclose in the specification and drawings the one porcelain dish that is "a suitable holder" would, perhaps, not be so clearly within the invalidating effect of R. S. 4888 were one able to turn at once to the egg cup. The patentee's own testimony shows, however, that much experimenting was required before the egg cup was found. (R. I, 128.)

This Court and other Courts have held that if a patent does not contain a description of the claimed discovery adequate to render it useful, the patent is void.

> Permutit Co. *vs.* Graver Corp., 284 U. S. 52, 57, 58;
> Beidler *vs.* United States, 253 U. S. 447, 452, 453;
> Steward *vs.* American Lava Co., 215 U. S. 461, 165-167;
> Yale Lock Mfg. Co. *vs.* Greenleaf, 117 U. S. 554, 559;
> Sewall *vs.* Jones, 91 U. S. 171, 184, 185;
> Fulton Co. *vs.* Powers Regulator Co., 263 Fed. 578, 580;
> Typewriters Hilliardized, Inc., *vs.* Corona Typewriter Co., 43 F. (2d) 961, 964.

But the patentee says that he knew of the egg cup before he filed the application for the patent in suit. (R. I. 129.)

If patentee is correct in his recollection then it is obvious that there was no reasonable excuse for describing the "suitable holder" as "a porcelain dish." In such case R. S. Sec. 4920 applies. That section invalidates a patent if after the required notice it is proved on the trial:

> "That for the purpose of deceiving the public the description and specification filed by the patentee in the Patent Office was made to contain less than the whole truth relative to his invention or discovery, or more than is necessary to produce the desired effect."

The notice required by the statute was given by defendants to plaintiff. (R. I, 91.)

If, as the patentee says, he knew of the egg cup before he filed his application his disclosure of less than the whole truth, his specifying a large class of objects only one of which is suitable, could have been only for the purpose of deceiving the public.

But, perhaps it should be said in fairness to the plaintiff that the memory of the patentee when on the witness stand in 1931 may not have truly reflected the facts and events of 1923. This surmise finds support not only in the general knowledge with respect to the frailty of human memory, and cases in keeping with that knowledge, but as well in the fact that the egg cup and the punch method were disclosed, but for the first time, in drawings of a patent application filed by Mr. Stephens March 22, 1927. (R. III, 1218, 1239, 1240.) It would seem probable that Mr. Stephens' memory in 1931 erroneously attributed to his act in 1927 the date of 1923. But in either event the disclosure is inadequate under R. S. Sec. 4888.

I-B.

The Claim Does Not Particularly Point Out and Distinctly Claim the Improvement Claimed as the Invention or Discovery.

Plaintiff now seeks to lay aside the description of the method in the specification of the patent and the limitations of the claim and to assert that the method of the claim is plaintiff's commercial method which comprises only "a stretching over a suitable holder and using a reciprocating motion through the hose." (R. I, 134, XQ267.) This it cannot successfully do.

The patentee first observed the repairing of a run when he saw Mrs. DeMarr repairing runs by the "finger method." (R. I, 111, 120, 121.) Mrs. DeMarr filed an application for U. S. Letters Patent for her needle and method of operation. (R. III, 1486.) Her "finger method" is described in her application (R. III, 1192, 1193) and is shown by her drawings. (R. III, 1204.) The data for her application was submitted to her Washington attorney by Mr. Stephens in his own handwriting. (R. I, 151, folio 453.) If plaintiff's method is as radically different from the method of Mrs. DeMarr as plaintiff contends, such radical difference should be made obvious by a comparison of the method described by the patentee with that described by Mrs. DeMarr in her application. Yet no such difference appears. Indeed, such comparison discloses that Stephens used, almost without exception, to describe his alleged pump method the identical words Mrs. DeMarr used to describe her "finger method." To facilitate comparison the two methods, as shown in the respective applications, are printed in parallel columns and annexed as Appendix A hereto at pages 50-51. Therein the italicized words are common to both descriptions.

Moreover, in plaintiff's commercial punch method an egg cup-shaped holder is indispensable for the support and free use of the left hand of the operator and the free use of

the left hand is essential for manipulating the hose, and for the stretching after inserting the needle. (R. I, 107, 113, 115.)

Mr. Stephens said in his testimony (R. I, 161):

> "I said in my direct testimony that after I got the needle inserted in my practical method, I put some more stretch on the goods. *That does not come out in Claim 23,* but it would occur during that act of stretching. *I found that out before I filed the original application on September 25, 1923.* I did not state that two kinds of stretching in the patent. I used the word 'stretching' all together. 'Stretching' means one stretching over the holder to get the needle into the last loop, and after you get the needle in the last loop, *another stretching then occurs before commencing the relooping.* I would increase the tension and stretch more as the downward stroke commences.
>
> The statement that 'In manipulating the hose you can immediately release the tension' is not made in the patent, that I know of. *I know of nothing in the patent about either manipulating the hose or releasing the tension.*"

It will be observed that the patentee there stated that he learned of the necessity for additional stretching before he filed the original application on September 25, 1923.

In the claimed punch method the needle moves upward and downward instead of forward and backward. Yet in his specification, Stephens used the words of DeMarr "forwardly," "forward" and "reversed" to show the movement of his needle. Indeed, Mr. Stephens admitted on cross-examination that there was nothing in the patent in suit to show that the hook end of the needle at the end of its forward movement is either below or above the second rung of the ladder beyond the loop through which the needle had been inserted. At R. I, 162, 163, Mr. Stephens said:

> "I do not see anything in the patent that shows that the hook of the needle is at the end of its forward move-

ment, either below or above the second rung of the ladder beyond the loop through which the needle had been inserted. There is no disclosure in Fig. 4 as to the whereabouts of the hook of the needle with respect to the thread 'd' at the end of the forward movement of the needle. There is no indication in the patent to show that."

In the punch method the hook end of the needle must be beneath the fabric at the end of the downward stroke of the needle. Yet not even that was shown.

Furthermore, the patent in suit teaches in the identical words of the application of DeMarr that the needle should be held as close as possible to the fabric, which position is inconsistent with an upward and downward or punch movement and is consistent only with the "forward" and "backward" movement of both DeMarr and the patent in suit. This instruction is found at R. III, 964, lines 30, 38. It reads thus:

> "The clearance afforded by the notch or recess makes it possible to *hold the needle down closer to the fabric,* and greatly reduces the thickness of the combined needle and latch as well illustrated in Fig. 1, which is very desirable during the operation of knitting and repairing, as it lessens the pull and tension upon the threads and the loop."

The identical words are found in the application of DeMarr in next to the last paragraph (R. III, 1193).

The disclosure by Stephens in his application of March 22, 1927 (R. III, 1218), of the egg cup and punch method (R. III, 1239, 1240), and the further disclosure of the egg cup and punch method in patent No. 1,793,225, granted to plaintiff February 17, 1931, which patent contains a claim in the identical language of the claim in suit, with the exception that the method and claim are not confined to a *pivoted* latch needle, constitute strong circumstantial evidence that

Mr. Stephens had not even discovered the advantages of the egg cup, indispensable to the punch method, or the punch method when he filed the application for the patent in suit.

The fact that no witness was produced to testify that he had been taught the punch method by the patent in suit and the further fact that the witnesses called were taught the punch method by oral instructions and by demonstrations (R. I, 99, folio 296; R. I, 236-237), are inferences strongly supporting a conclusion that the patent does not and cannot teach the punch method.

The patent in suit is consistent only with the conclusion that in it the patentee made only two departures from DeMarr, viz.:

> 1. Stephens stretched his fabric over a porcelain dish, but not over an egg cup, while DeMarr stretched her fabric over her finger.
>
> 2. Stephens had a needle having a side guard with the result that his needle so functioned that if it is pushed so far through the looped thread that the object thread passes up the shank of the needle beyond the end of the latch in its opened position the object thread will, in the reverse or backward motion of the needle, "slide over the guard and will not operate to close the latch." (R. III, 963, lines 65-67.)

The use of a holder was, however, in view of the state of the art not a patentable advance over the method of DeMarr.

The structure and function of Stephens' needle were an advance over DeMarr's in that the structure and function of Stephens' needle assure the presence in the hook of the object thread on the reverse or backward movement of the needle even though the needle in the forward movement is slid forward until the object thread passes up the shank of the needle beyond the end of the latch in its opened position. DeMarr's needle does not produce that result. Under such

conditions the hook of her needle would contain no thread on the reverse or backward movement. That the side guard of the Stephens needle so acts and functions is confirmed by the testimony of plaintiff's expert, Dahn, who said (R. II, 810):

> "XQ191. Now, as to the Stephens guard, the guard is to prevent that, is it not? A. The principal purpose of the guard is, as I understand it, to prevent the latch from being tripped by some other object thread, the thread even ahead of that so losing everything out of the hook of the needle."

DeMarr describes the forward movement in her needle thus (R. III, 1192, lines 8-13):

> "The operator first inserts the hook 1 through the last loop *a* of the ravel or run, and beneath the next thread *b*. The needle is then slid forward until the loop *a* slides over the free end of the guard or bridge 4 as shown in Fig. 4. The needle is then pulled back in the reverse direction, * * *"

Stephens uses the same language (R. III, 963, lines 82-94), obviously to show the same movement of his needle as described and shown by DeMarr.

Manifestly, Stephens had not only not conceived the punch method when he filed his original application, but he had not even conceived it when he applied for reissue two and a half years after he filed his original application, otherwise he would have amended his method claim so as to call for the punch method—provided, of course, his application would support such a claim.

Again, Figures 4, 5 and 6 of the drawings of the patent in suit (R. III, 961), do not disclose a punch method. Indeed, they show the contrary, for the needle is shown not only in the plane of the fabric but as well in non-parallel positions in the three figures representing three stages of the stitch.

I-C.

Invention, in View of the State of the Prior Art, Is Wholly Wanting.

Pivoted latch needles were disclosed in 1849 in Patent No. 6025 to Hibbert (R. III, 1026), and again in 1865 in Patent No. 47,488, to Carey (R. III, 1027).

The use of a pivoted latch needle to repair runs in a knitted fabric was shown by Pogson in an unsealed copy of his British Patent No. 168,817, filed in the United States Patent Office November 16, 1921 (R. III, 1127-1129).

Pogson shows in his Fig. 1 that the fabric to be repaired is stretched. He does not say over what it is stretched. Plaintiff contends that Pogson's method is the "finger method." Yet, the description by Stephens of his method is in all substantial particulars the description of Pogson. To facilitate a comparison the description of Stephens and that of Pogson have been printed in parallel columns in Appendix B attached hereto at pages 52-53. Plaintiff says that Pogson failed clearly to disclose in his Fig. 6 that the hook end of his needle is beneath the thread—and that consequently Pogson does not disclose the punch method. The same reasoning applies to Stephens who admits (R. I, 162, folio 486) that his patent does not show "that the hook end of the needle is at the end of its forward movement, either above or below the second rung of the ladder beyond the loop through which the needle has been inserted." The only difference, therefore, between the express disclosure of Pogson, when viewed most favorably to plaintiff, is the "porcelain dish" holder of Stephens. The Court of Appeals of the District of Columbia in Finch Corporation *vs.* Stelos Co., 46 F. (2d) 606, considered Stephens' holder an element of prime importance. At page 607 it said:

> "An element of prime importance in the method 'consists in stretching the fabric over a suitable holder.'

Stephens was the first to discover and disclose this element, * * *"

That finding, which was apparently the turning point of the decision, was based upon the record before that Court. That record did not show the many patents contained in the record in the case at bar which establish that holders over which to stretch fabrics for repair were old.

Patent No. 1,337,884 of April 20, 1920, to Ceska (R. III, 1061), was not before the Court in the Finch case. Ceska says (R. III, 1062, lines 17-28):

> "Another object of the invention is to provide a darner that will space different parts of the material worked upon from the darner so that *a needle may more effectively work upon the goods without coming in contact with the darner.*
>
> Besides the above my invention is distinguished in the manner of associating the body with the handle so that *the material or goods may be more readily gripped and stretched across the working face of the darner for obvious reasons.*"

At lines 80-83 he adds:

> "* * * one efficient way of gripping the darner is by passing the fingers around that reduced portion of the body 1 next to the handle."

Patent to Graf, No. 916,926, which issued March 30, 1909, was not before the Court in the Finch case. It shows a "Holder for Mending Stockings" which has sufficient depth for the free use of the needle.

Patent to Harley, No. 156,702, granted November 10, 1874, was not before the Court in the Finch case. It is for an "Improvement in Darning Lasts." It says (R. III, 1040):

> "The concave surface formed upon the end of the stretcher enables the material to be held thereon tightly *as may be desired*, while *giving ample room for the movements of the needle*, * * *"

The transfer of these devices from the art of stocking repairing to the art of repairing runs in a stocking, if any transfer there is, does not amount to invention for the devices perform the same function in each without any change of form.

Standard Caster & Wheel Co. *vs.* Caster Socket Co., 113 Fed. 162 (CCA 6).

Pogson did not need to disclose a holder. One employing his pivoted latch needle method was free to use any theretofore existing holder desired, including one having sufficient depth for the free use of the needle. It follows that Pogson is a complete anticipation of the claim in suit. But even if Pigson does not anticipate, obviously invention on the part of Stephens is lacking in the light of the foregoing patents to Ceska, Graf, Harley and Pogson.

Repairing runs in knitted fabrics with the pivoted latch needle by a straight line reciprocating method through a stretched fabric had long been known. Defendants' Exhibit MM (R. III, 1172, of booklet of Auto-Knitter Hosiery Company, copyrighted in 1918 (R. III, 631, 632), gave the following instructions:

"PICKING UP SLIPPED STITCHES.

If a stitch slips off the needle from any cause it will generally, if the weights are on, run down through a number of rounds. The weights should be taken off immediately and the stitch picked up as follows:

Take a spare cylinder needle and pass this down hook end first, between the work and the cylinder, with the hook pointing inwards towards the work. Pass the left hand up inside the cylinder from underneath the machine, take hold of the work and bring the dropped stitch within the reach of the needle hook, get the stitch onto the hook, being careful not split the wool, *slide the needle through the stitch until the stitch is behind the latch,* then turn the needle a quarter turn to the right, pull it slowly back until the latch stands out al-

most straight but not quite, the stitch still being behind it. Then work the latch up behind the yarn immediately above the stitch, this done proceed to draw the needle slowly back and *the latch will take the yarn inside the hook,* allowing the old stitch to slide over and thus forming the new one. Having now a new stitch inside the hook, slide the needle *through the work* again until the stitch is behind the latch, and repeat the whole operation until you get the stitch to the top, when it must be placed on its cylinder needle."

Like instructions were given by like booklets in 1920 (R. III, 1010, 1011, 1012, 1014, 1017, 1020). The edition of 1918 R. III, 1024, says:

"To pick up Plain Stitch, use Cylinder Needle which will work similar to crochet hook. Push Needle down between Work and Cylinder and catch stitch. Push Needle through stitch until Tongue is free. Draw Needle back allowing Tongue to close over yarn above, which will form stitch. Replace on Needle."

Many editions of these booklets were distributed, one having a date as early as 1912, contained this instruction (R. I, 435):

"MENDING BROKEN STITCHES.

This is done with one of the needles of the machine, either in the machine or after the work is out. The needle is used as a crochet-needle. You hook it in the dropped stitch and push it far enough through to bring the stitch below the latch; then draw it back, catching the next cross-thread above in the hook above the latch; continue to draw the needle back until a new stitch is formed; proceed in this way until all the dropped stitches are knit in. If the mending is done out of the machine, you will tie the dropped stitch with a short piece of yarn and draw the ends inside of the web."

Mr. Gearhart estimated that 100,000 Gearhart Auto-Knitters had been sold up to January 1, 1920.

Had Pogson, Graf and Harley never taught and never existed, the claim in suit would be invalid for want of invention in the light of the disclosures last quoted and that of Ceska.

I-D.

Stephens Was Not the Original and First Inventor of the Alleged Invention of the Claim in Suit.

On June 27, 1923, three months before the application for the patent in suit was filed on September 25, 1923, Semonsen filed two applications for letters patent. One was for a "hook for mending runs" and the second was for a "holder for knitted fabrics" over which knitted fabrics might be stretched while repairing runs. Patents Nos. 1,536,274 and 1,536,275, issued on the respective applications on May 5, 1925. (R. III, 1069 and 1073.)

In his patent No. 1,536,274, Semonsen, at R. III, 1071, lines 35-60, says:

> "Prior to inserting the run-needle in the fabric, the latter should be stretched and held tightly during the operation of restoring the dropped loop of the run. It is not only important that the fabric at the run should be stretched tightly, but it should be held so that the needle can be inserted *through the fabric*. It is also desirable that the fabric should be stretched above a background of contrasting color so that the loops and ladder threads stand out with clearness. A *suitable holder* for this purpose is more particularly described in my companion application, * * *.
>
> After the run-needle or hook has been inserted in the free loop C, and the *needle* pushed *through* until the loop engages or drops back of the shoulder notch 11-12, the hook end 7 is then brought into engagement with the first dropped loop or ladder thread B, as indicated in Figs. 6 and 7 of the drawings. The needle is then drawn *upward in an axial direction away from the fabric* and simultaneously therewith is rotated toward the left about its axis."

Semonsen there discloses the stretching of the fabric, in which a run is to be repaired, over a "suitable holder." Semonsen further disclosed the insertion of the needle "*through* the fabric" and then the further pushing of the needle "*through* until the loop engages or drops back of the shoulder notch." He then draws his needle *upward* "in an axial direction away from the fabric."

In his patent 1,536,275 (R. III, 1074, lines 17-40), Semonsen says:

> "One object of my improved holder is to provide means for more particularly holding knitted fabric tightly stretched so as to stretch the run and means for securing the fabric to the holder in stretched condition, the arrangement being such that the degree of stretching may be modified while the holding device is in position.
>
> In restoring runs in knitted fabrics, such as silk stockings, wherein the knitted threads are extremely fine, it is difficult to distinguish the individual loops and threads unless the fabric is tightly stretched and the visibility of the threads and loops is increased by placing a disc of contrasting color back of or under the stretched portion of the fabric, which is to be operated upon. Therefore, a further object of my improved holder is to provide a disc or diaphragm spaced from the fabric supporting means of the holder over which the fabric is stretched, *so as to permit working space for the needle between the fabric and the disc.*"

At R. III, 1075, lines 60-66, Semonsen adds:

> "In my improved holder, it will be seen that the disc 4 is located below the fabric stretched across the ends of the holder and spaced therefrom a sufficient distance, *so as not to interfere with the insertion of the needle through the fabric as is required when operating the needle to restore the run.*"

In his two patents Semonsen discloses clearly and unequivocally the punch method of repairing a run in a fabric stretched over a holder. Under the doctrine of Milburn Co.

vs. Davis, etc., Co., 270 U. S. 390, Semonsen, not Stephens, would, as between them, be the first inventor of a "suitable holder" and of the punch method, even if it be assumed that Stephens disclosed the punch method. Indeed, the only difference between Semonsen's disclosure and the method asserted by plaintiff, is in the particular and detailed functioning of the specific needle used. But Pogson had shown the use of the pivoted latch needle for repairing runs and defendants do not use either the specific needle of Semonsen or the specific needle of Stephens.

Plaintiff raises for the first time in this Court the adequacy of the pleading with respect to prior invention by Semonsen. The question cannot be here raised for the first time. But if it could be, the answer of Hosiery Motor-Mend Corporation (R. I, 22, folio 64-66, R. I, 23, folio 68); the answer of Kayser Hosiery Motor-Mend Corporation (R. I, 53, paragraphs (b) and (d)) (the patents to Semonsen being at the bottom of page 54); the answer of Julius Kayser & Company (R. I, 68, paragraphs (b) and (d)) (the patents to Semonsen being near the top of page 70), show that the pleading of prior invention by Semonsen was full, adequate and complete.

Plaintiff asserts, however, that Stephens invented the punch method early in 1923, and prior to Semonsen's filing date. This assertion is based on the oral testimony of Stephens (R. I, 128) and Losh (R. I, 167), which is unsupported by any document. The testimony relied upon by plaintiff was given in 1931 and pertained, not to a particular year, but, to a particular time of year, eight years before the testimony was being given. Unaided memory alone was relied upon. That is not here sufficient—Clark Thread Co. *vs.* Willimantic Linen Co., 140 U. S. 481. If unaided memory is sufficient under any circumstances it is not adequate here for it is inconsistent with the documentary evidence in the record. The application and method claim of Stephens contained no suggestion, however remote, of a

punch method. Moreover, the record is barren of any record evidence that the commercial egg cup and punch method were used by plaintiff at any time prior to the issuance of the patents to Semonsen. Indeed, the first appearance in this record of the egg cup and punch method is in the application of Stephens filed on March 22, 1927, approximately two years after the patents to Semonsen had been granted, and four and a half years after the application for the original of the patent in suit was filed by Stephens.

I-E.

Hartzell, Rohrbach and Others Used the Claimed Method Years Before Stephens' Filing Date.

Runs in stockings were reknit at the Kraemer Knitting Mills in Nazareth, Pennsylvania, with needles having a side-guard. The original needle was made by Hartzell, superintendent of the mill, in 1910. An entry of the making of the needle was made by Hartzell at the time it was made. (R. II, 501.)

In using the needle, the fabric was stretched over a glass jar about the size of a drinking glass. (R. II, p. 504.) A drinking glass and an egg cup were also used. (R. II, 509, Q.189.) Mrs. Rohrbach had been employed by the Kraemer Knitting Mills since May 10, 1920. She was under the instruction of Mr. Hartzell, the superintendent. She knew nothing about repairing runs before she went to work for the Kraemer Company. Hartzell instructed her how to repair runs the first day she was there. He gave her a latch needle and a glass, and showed her how to do it. In addition to a glass, she sometimes had an egg cup. She had with her and exhibited a needle with a guard at the side, which she had had since the day she started working for the Kraemer Company. It was given to her by Hartzell. Asked to tell what Hartzell told her to do, she said (R. II, p. 527):

"I am reknitting a run. I am holding my hand like holding a pencil. The needle is in my right hand. My left hand is holding the stocking over the egg cup. My hand is moving up and down. The needle goes through the goods. Years ago I could pick it up faster, but I have not been at this steadily. I have been forelady seven or eight years; when we didn't have much to do I would help out with this. I stopped mending myself, as a regular part of my work in 1928, I think. I haven't done anything hardly at all since. We have been too busy there. I used to do it faster than this, but not being at it steadily——

The run is in a position away from me and a little to the left. My hand holding the needle is on the right side of the run. I cannot say in degrees at what angle to the surface of the goods. I am holding the needle. I can still reknit the way I have been doing, if that angle moves a little bit from one side to the other. I don't think that different operators use different angles. They might. I have tried to hold it at a little different angle but it does not work very well. People hold pencils at different angles; it is just an individual habit.

I did not instruct the other operators after I learned how to do it; Mr. Hartzell did. I have seen the other operators work. They worked about the same way that I have just worked.

I have the goods resting loosely on the egg cup. My next step is to take hold of it; if pulled hard enough it would extend the run.

Q52. What do you do next? A. You just put the needle in.

Q53. Where? A. Right on the stitch, and you keep that stitch; you catch up the first stitch and keep it.

Q54. And then you work it just as you have stated? A. Yes, sir.

Q55. And then when you get to the end of the run, what do you do? A. Fasten it with a thread."

In operating the needle, Mrs. Rohrbach never "rolled it back and forth." She held it "straight, right along and the hook is pushed straight forward." She moved it "at a sort of diagonal across to the right." (R. II, 533, folio 1598.)

The method of the patent in suit was likewise used by the Black Cat Hosiery Company for years prior to 1910 and was used by Phoenix Hosiery Company prior to 1921. Edward E. Busek, whose deposition was taken by defendant, said (R. I, 271):

> "In latching up, we take a needle similar to the kind used that is in that machine, and form a stitch about the same way as the machine knits it. *This is done by inserting the needle into the stitch, and pushing it through the fabric and making the loops until the stitch is dropped off the needle, the one farthest from the needle.*"

The detailed operation appears R. I, 272, 273, 274, 276. The dates of use by the Black Cat Hosiery Company and the Phoenix Hosiery Company appear R. I, 263 and R. I, 274.

J. C. Ruedt, whose deposition was taken on behalf of the defendant (R. I, 334-336), describes the method employed by Phoenix Hosiery Company prior to 1921, in repairing runs in hosiery. The method so employed is plaintiff's commercial punch method. Such repairing was done with the fabric stretched over the hand, hoops, egg cups, coffee cups and water tumblers. (R. I, 340, 343.)

May Delebeck, whose deposition was taken on behalf of defendant, explained how she repaired runs in her stockings prior to 1913, by holding the run stretched between the finger and thumb of her left hand while using a pivoted latch needle in a punch method with her right hand. (R. I, 366-372.)

Mrs. Helen Luell, whose deposition was taken on behalf of defendant, described the repairing of runs in mittens made by Phoenix Hosiery Company as early as 1893, with an up-and-down movement of a pivoted latch needle through the knitted fabric.

> "Every one that knew how to knit had to know how to mend." (R. I, 388-392.)

Mrs. Marjorie Converse, whose deposition was taken on behalf of the defendant, explained the method of repair of runs in 1919 by Phoenix Hosiery Company with an upward and downward movement of the needle through the fabric stretched over the hand and other holders. (R. I, 403 *et seq.*)

One of the holders used by the foregoing witnesses was a slit metal cylinder to receive the leg of the stocking, the run being positioned over the slit so that sufficient depth for penetration of the needle through the fabric was provided. One of the cylinders is Defendants' Exhibit A-6.

Mr. Gearhart testified (R. I, 450), that he had personally practiced from time to time since 1912, the reknitting method described in the Gearhart instruction books, with the fabric on the machine and over a holder. (R. I, 448-450, 456-457.)

In the light of this prior use testimony, supported by the physical exhibits and the Gearhart publications, it is manifest that run repairing by pivoted latch needle reciprocating through a stretched fabric is substantially as old as the knitting art; that Stephens was not the first to use a holder, was not the first to use any or all of the functions of a latch needle in repairing a run and was not the first to use plaintiff's commercial punch method.

II.

DEFENDANTS DO NOT INFRINGE.

The defendant, Julius Kayser & Co., has not been engaged in repairing runs, nor is it a contributory infringer. It is made a defendant because it owns some shares of the capital stock of Kayser Hosiery Motor-Mend Corporation. The remaining defendants, Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation, have used a sliding latch needle operating in an upward and downward motion through the fabric, while the needle is held in the vertical plane of the run. The sliding latch needle of defen-

dants differs structurally and functionally from the pivoted latch needle of Stephens, as the pivoted latch needle of Stephens differs functionally and structurally from the needle of Semonsen.

The claim in suit is not for the punch method which defendants use.

II-A.

The Claim in Suit Is Expressly Limited to a Pivoted Latch Needle, Functionally as Well as Structurally.

The claim calls expressly for a structure or device "having a hook and *pivoted* latch." It likewise calls for a structure that functions as does a *pivoted* latch needle, in that the claim calls for continuing forward movement of the needle "until the loop is slid back over the end of the latch and beneath the latter."

The pivoted latch needle only so functions as to permit the carrying out of that step.

This is likewise true of the further step of the claim, namely, "catching the next forward thread in the hook *while* the loop is being pulled over the latch."

II-A-1.

"Laterally Out of Alignment with the Run," as Used in the Claim, Means at the Side of the Vertical Plane of the Run. It Does Not Mean "Above the Horizontal Plane of the Fabric." To Function Effectively, the Pivoted Latch Needle of Plaintiff Must Be Held Diagonally of the Run.

Plaintiff contends that "laterally out of alignment with the run" means at an angle to the horizontal plane of the fabric. This clause is not in the specification. The specification, nevertheless, completely refutes that contention. "Laterally" is used twice in the specification (R. III, p. 964,

lines 4 and 9). In each instance, it means sidewise, not above. This meaning is carried to the point of demonstration in Fig. 7 of the patent, where the magnetized hook is shown "curved laterally" and "off center."

Moreover, lines 30 to 39 on page 3 of the patent, instruct that the needle should be held down as close as possible to the fabric, instead of at some angle above the horizontal plane of the fabric.

To understand the words "laterally out of alignment with the run," they must be read on the drawings and in the light of function, and not as mere words. The record in the case at bar establishes that for the pivoted latch needle of Stephens properly to function, it had to be held diagonally of the run, so that the latch would not "catch more than two threads" (R. II, p. 539, folio 1617), in that if held in line with the run more than one thread would be in the reach of the latch, while if the latch were made to operate diagonally of the run, that would not be true:

The witness, Anna Adamcik, said (R. II, p. 539, 540):

> "When a run is stretched ready to reknit, the width of the run is a great deal wider than the space from one cross thread to the next; so if I hold the pivoted latch needle off at an angle, I have as much space as I can get for the latch to go through there. I can only pick up one more thread that way. *If I hold it straight, I am likely to catch the second thread instead of the first one, that is, with the pivoted latch needle.*"

At Record II, p. 788, Judge Woolsey said:

> "Of course, the hypotenuse, so to speak, of your triangle, if you take the two sides—the latch is so long, that is, the latch is longer than the distance of the two runs, so you have to have an angle in order to operate it at all with any degree of speed. That is inescapable, is that not so?"

The witness, plaintiff's expert, Dahn, replied:

> "Yes, sir, it is necessarily true, I think."

Again the trial Court, at page 791 of R. II, said:

> "I think also with the length of the latch, that it necessarily affects the position in which the operator is to hold the instrument, because you have got to remember that we are dealing with the question of an angle to a rectangle and the latch is an angle perpetually across a rectangle, and also you have to have a line to clear that rectangle."

To which the witness, Dahn, replied:

> "I think that is absolutely correct."

"Laterally out of alignment with the run" is made clear beyond question by the drawings and specifications and has a distinct functional meaning not availed of by defendants.

II-A-2.

"Catching the Next Forward Thread in the Hook WHILE the Loop Is Being Pulled Over the Latch, CAUSING THE LATCH TO CLOSE OVER THE THREAD," Can Be Done by a PIVOTED Latch Needle Only.

The meaning of that phrase or clause is shown in Stephens' specification four times. The first is found on page 962, R. III, lines 46-48, inclusive. Stephens there says:

> "With my invention and *its method of use* the latch *reaches for* and *grasps* the thread to be looped, forces it into the hook and the latch is then tightly closed by the loop already on the needle."

At R. III, p. 963, lines 41-45, the patentee said:

> "It also serves the hitherto unknown purpose of *reaching for, grasping* and forcing into the hook the thread necessary to be picked up in order to continue the looping process."

At lines 101-104, Stephens said:

> "The latch in the meantime *reaching for* and *grasping* the thread b, and *forcing* it into the magnetized hook as shown in said Fig. 5."

At R. III, p. 964, lines 20-21, the patentee again said:

> "The latch *reaches for and grasps* the thread d, *forces* it into the hook, * * *"

In the *sliding* latch needle of defendants the hook is closed by the latch or bolt *before* the thread leaves the notch and not "while the loop is being pulled over the latch." The next forward thread cannot then be caught in the hook. In defendants' *sliding* latch needle, the latch is not caused to "close over the thread"—the object thread is in the hook before the sliding latch begins to close. As a consequence, the *sliding* latch cannot perform the function of casting the thread into the hook, *i. e.*, "closing over the thread," as does the pivoted latch needle of the claim in suit.

Plaintiff contends that by its amendment made after the rejection by the Examiner of the original method claim, plaintiff eliminated from its method the thread-casting function of the specification.

Plaintiff is wrong. It could not do so—and it did not do so! It could not do so, for the only method disclosed by it in the specification was a method which included the thread-casting function. It could not describe one method in the specification and cover another method by its claim. It could not have a claim for a method broader than the method described in the specification. But more than that, the clause "causing the latch to close over the thread" must be interpreted in the light of the specification.

In *Singer Co. vs. Cramer,* 192 U. S. 265, 24 S. Ct. Rep. 291, 299, this Court held:

> "To prevent a broadening of the scope of the invention beyond its fair import, in the light of the cir-

cumstances surrounding the issuance of the patent, *the words of limitation contained in the claim must be given due effect,* and giving them such effect, the statement in the first claim of the elements entering into the combination must be construed to refer to elements in combination having substantially the form and constructed substantially as described in the specification and shown in the drawing.

In *Motion Picture Co. vs. Universal Film Co.,* 243 U. S. 502, 37 S. Ct. 416, 418, this Court held:

> "1st. *The scope of every patent is limited to the invention described in the claims contained in it, read in the light of the specification.* These so mark where the progress claimed by the patent begins and where it ends that they have been aptly likened to the description in a deed, which sets the bounds to the grant which it contains. It is to the claims of every patent, therefore, that we must turn when we are seeking to determine what the invention is, the exclusive use of which is given to the inventor by the grant provided by the statute, *'He can claim nothing beyond them.' Keystone Bridge Co. vs. Phoenix Iron Co.,* 95 U. S. 274, 24 L. Ed. 344; *Lehigh Valley R. Co. vs. Mellon,* 104 U. S. 112, 118, 26 L. Ed. 639, 641; *Yale Lock Mfg. Co. vs. Greenleaf,* 117 U. S. 554, 559, 29 L. Ed. 952, 953, 6 Sup. Ct. Rep. 846; *McClain vs. Ortmayer,* 141 U. S. 419, 424, 35 L. Ed. 800, 802, 12 Sup. Ct. Rep. 76."

"Close over the thread" must mean and can mean only, in the language of the specification that "the latch *reaches for* and grasps the thread, *forces* it into the hook." That, the sliding latch cannot do.

II-B.

Defendant, Julius Kayser & Company, Has Not Been Engaged in Repairing Runs, Nor Is It a Contributory Infringer.

Plaintiff has nowhere charged or attempted to prove that Julius Kayser & Company has either manufactured, sold, leased, handled or used the Vanitas machine or em-

ployed the Vanitas method. Plaintiff's theory on the trial was that Kayser Hosiery Motor-Mend Corporation had infringed plaintiff's patent and that Julius Kayser & Company solely by its then relation to Kayser Hosiery Motor-Mend Corporation, is liable for such infringement. The facts appearing in the record do not support plaintiff's contention. The facts are set forth (R. I, 216-221, 239, 253-256; R. III, 972 and 976).

It is not claimed by plaintiff that Kaiser Hosiery Motor-Mend Corporation was an agent of Julius Kayser & Company by express appointment, neither is there anything in the record binding upon Julius Kayser & Company, that proved a holding out by Julius Kayser & Company of Kayser Hosiery Motor-Mend Corporation as its agent.

The record discloses that Kayser Hosiery Motor-Mend Corporation had at all times operated, not as a part or department of Julius Kayser & Company, but as a separate enterprise. Kayser Hosiery Motor-Mend Corporation had a separate organization, separate offices and conducted its business and made contracts in its own name (R. 254, 255, 256).

On the face of it, it is difficult to conceive of a corporation, so large a part of whose stock is held by outsiders, as a department of another corporation to which such outsiders are strangers.

It is elementary that as a general rule a corporation is a legal entity, distinct from its individual members or stockholders, and its members or stockholders are not personally liable for the corporation's acts.

Donnell vs. Herring Hall Safe Co., 208 U. S. 267;
Peterson vs. Chicago R. I. & P. Co., 205 U. S. 364;
Pullman Palace Car Co. vs. Missouri Pacific R. Co., 115 U. S. 587;
Pierce vs. National Bank of Commerce, 13 Fed. (2d) 40;
Burnet vs. Commonwealth Imp. Co., 287 U. S. 415.
Owl Fumigating Corporation vs. California Cyanide Co., 30 Fed. (2d) 812.

Plaintiff has not shown any facts taking the case at bar out of the general rule.

II-C.

The Remaining Defendants Have Not Used a Pivoted Latch Needle. They Have Used a Sliding Latch Needle Only.

The needle used by Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation, successively, is the non-magnetized sliding latch needle described, illustrated and claimed in patent to Finch No. 1,674,508. It has been so used in the Vanitas machine described, illustrated and claimed in patent to Van Dyke No. 1,745,462 (R. III. 996). It is illustrated in operation in R. III, 1331.

II-C-1.

The Defendants, Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation, Do Not Hold Their Sliding Latch Needle "Laterally Out of Alignment with the Run." So Held It Would Not Function.

Hosiery Motor-Mend Corporation used and Kayser Hosiery Motor-Mend Corporation uses a sliding latch needle. The needle is small. The sliding latch is short. The groove across the latch is in a horizontal position. It is very small. Any substantial departure of the needle from the vertical plane passing through the run would prevent the thread from entering the *horizontal* groove and would make the *sliding* latch needle inoperative.

The witness, Chapman, testified (R. II, 620, 621, folio 1860-1864),

> "that structure (sliding latch needle) necessarily confines the operation of the needle to a right line reciprocation and also compels the disposition of the needle in parallelism with the run and vertically disposed relative thereto."

The witness, Anna Adamcik, pointed out (R. II, 542, folio 1626) that the sliding latch needle does not slip when

I hold it in line." Obviously, the witness meant that the thread will pass into the horizontal groove across the sliding latch when the needle is held in the line of the run and that it will not pass into the groove and operate the sliding latch if the needle is held to any substantial extent out of the line of the run.

As has been hereinbefore pointed out, the *pivoted* latch needle must, if it is to function properly, be held "laterally out of alignment with the run so that it will grasp not more than one thread."

A comparison of the functioning of the pivoted latch needle of plaintiff with the functioning of the sliding latch needle of defendants was made by the trial court and agreed to by the witness, plaintiff's expert, Dahn, at R. II, 791, 792, in these words:

> "In other words, *working on the side, with a pivoted latched needle, would be natural and efficient and the proper way to do it; with the other one, it would be the least efficient way to do it, and the tendency of the sliding latched needle would be to work almost in the direction of the run.* The head of the needle comes directly —I don't mean the head of the needle, the handle of the needle is in the direction of the run; in the other one you would have to do it off to the side. The reason of that is what I should call the geometry of the situation. You have this series of rectangles; you have something to come inside of the rectangle to be any good, and that is the latch; *the shorter the latch, the better you are,* and the more nearly you can approximate the direct line; if you eliminate the pivoted latch, I mean if you eliminate the pivoted latch altogether and have the sliding latch, you come to the point where you are in direct line, and that is the best place for you. That is the way it works out in my mind, at least.
>
> The Witness: That is the theory, your Honor.
>
> By Mr. Hodges:
>
> Q.107. Will you state your observation about that? Do you agree with the Court or differ, or can you ex-

plain your position on that? A. As to the theoretical statement?

Q108. Yes. A. *I think it is entirely correct.*"

Plaintiff's contention that the defendants operate their sliding latch needle "laterally out of alignment with the run" in that one witness held it "just a little off to the side," and that some of plaintiff's witnesses had seen operators hold the *sliding* latch needle as one "would naturally hold a pen or pencil" is unsound. Holding the *sliding* latch as one holds a pen or pencil does not evince that the needle is not held in the vertical plane passing through the run. The relation of the needle to that vertical plane depends upon the direction of the run with relation to the body or chest of the operator as explained at R. II, 544, folio 1630, where the witness said:

> "Some of the girls held it (the sliding latch needle) just about the way you hold a pen or pencil. You cannot tell from the photograph, *the direction of the runs they are dealing with* and that is why I say that probably they have the cup turned differently. The needle of the young lady toward the window may be held in such a way that she is working to the side, but still her needle is in line with the run."

That when using the Vanitas machine the runs are not necessarily held in a position perpendicular to the chest of the operator is clearly shown by the illustrations at R. III, 1329-1331.

The mere putting of a pen to paper for the purpose of writing is a demonstration that the end of the penholder may point to the right of the writer but still be in a vertical plane parallel to the vertical plane passing through the left or right edge of the sheet of paper written upon.

But even if defendants have held or do hold the *sliding* latch needle as one holds a pen or pencil and the direction of the run or fabric is such that when the sliding latch needle

is so held it is, so far as mere words are concerned, "laterally out of alignment of the run," it is not "laterally out of alignment with the run" within the meaning of those words as used in the claim in suit. The words of a claim must be read, construed and understood in the light of function and not as mere words.

The leading case holding that the charge of infringement against a defendant is not made out even if the defendant is within the letter of the claims of the patent in suit, is, of course, *Westinghouse vs. Boyden Power Brake Co.*, 170 U. S. 537. There at page 568, the Court said:

> "But even if it be conceded that the Boyden device corresponds with the *letter* of the Westinghouse claims, that does not settle conclusively the question of infringement. We have repeatedly held that a charge of infringement is sometimes made out, though the letter of the claims be avoided. *Machine Co. vs. Murphy*, 97 U. S. 120; *Ives vs. Hamilton*, 92 U. S. 426, 431; *Morey vs. Lockwood*, 8 Wall. 230; *Elizabeth vs. Pavement Company*, 97 U. S. 126, 137; *Sessions vs. Romadka*, 145 U. S. 29; *Hoyt vs. Horne*, 145 U. S. 302. *The converse is equally true.* The patentee may bring the defendant within the letter of his claims, but if the latter has so far changed the principle of the device that the claims of the patent, literally construed, have ceased to represent his actual invention, he is as little subject to be adjudged an infringer as one who has violated the letter of a statute has to be convicted, when he has done nothing in conflict with its spirit and intent."

The principle of Westinghouse *vs.* Boyden has been applied numerous times.

In *Elevator Supplies Co. vs. Graham & Norton Co.*, 44 Fed. (2d) 354, Judge Woolley, at page 537, said:

> "Although the claims may read literally on the defendant's installation, we are satisfied that its organization, not only in construction but in principle and operation, is wholly different from and therefore avoids

infringement of the invention as disclosed by the specification of the patent in suit, under the law of Westinghouse *vs.* Boyden Power Brake Company, *supra.*"

In *Goodyear Mach. Co. vs. Spaulding et al.*, 101 Fed. 990, 994, the Court said:

> "Infringement should not be determined by a mere decision that the terms of a claim of a valid patent are applicable to the defendant's device. Two things are not necessarily similar in a practical sense because the same words are applicable to each. The question of infringement involves considerations of practical utility and of substantial identity, and therefore must be quantitative, as well as qualitative."

The Court, in *Lorell vs. Seybold Mach. Co.*, 169 Fed. 288, 290, expressed the principle thus:

> "The claims must be construed in the light of the contribution which the patentees made to the art. They should hold whatever of value they have added provided it involved invention to make the addition. It would, however, be grossly unfair to compel the builder of a practical working machine to pay tribute to one who has added nothing of substantial value to the art, simply because the language of his claims is broad enough to include the successful structure. Claims should cover what the patentee has invented and not what he imagines he has invented."

In *Electrical Signal Co. vs. Hall Signal Co.*, 114 U. S. 87, 96, the Court said:

> "To constitute identity of invention, and therefore infringement, not only must the result attained be the same, but in case the means used for its attainment is a combination of known elements, the elements combined in both cases must be the same, and combined in the same way, so that each element shall perform the same function, provided, however, that the differences alleged are not merely colorable, according to the rule forbidding the use of known equivalents."

II-C-2.

The Latch of the Sliding Latch Needle Used by Defendants Does Not and Cannot "Close Over the Thread."

The clause of the claim in suit in which the words "close over the thread" are used reads thus (R. III, 965):

> "then reversing the movement of the device through the loop, catching the next forward thread in the hook while the loop is being pulled over the latch, causing the latch to close over the thread."

This clause, like the claim as a whole, must be read in the light of the specification, for it is in the specification (with such light as the drawings may throw upon it) that we are to find what the alleged invention is.

> Hall-Borchert Dress Form Co. *vs.* Ellaman A. Form Co., 213 Fed. 341, 342 (CCA 2);
>
> Outlook Envelope Co. *vs.* General Paper Goods Mfg. Co., 239 Fed. 877, 879 (CCA 2);
>
> Tostevin-Cottie Mfg. Co. *vs.* M. Ettinger Co., 254 Fed. 434 (CCA 2).

When read in the light of the specification it becomes manifest that the words of the claim "close over the thread" mean that the latch *forces the thread into the hook* (as set forth four times in the specification. (R. III, 962, lines 45-49; R. III, 963, lines 41-45, 101-104; R. III, 964, lines 20-21.) Plaintiff contends, however, that "to close over the thread" means only to "close the hook." Plaintiff attempts to support this contention by the argument that its original method Claim No. 10, rejected by the Examiner, called for "grasping the adjacent thread with the latch forcing it into the hook," and that that function was omitted in the amendment constituting the present claim. The fallacy of that argument is that it ignores the words of the claim; ignores

the limitation of the method described in the specification, four times repeated, and that it would make the claim far broader than the method described in the specification.

As said in *Outlook Envelope Co. vs. General Paper Goods Mfg. Co.*, 239 Fed. 877, 880:

> "Conversely, a claim must be limited by the revelations of the specification and drawing, when something does 'depend upon' them; *i. e.*, when the form and mode described are, as matter of fact, the limitations of inventive thought. In such case every claim must be confined by the specification statements, because no patent can go beyond the limits of the thought that vivifies it, and justifies the monopoly created thereby. This investigation is always one of fact."

The latch or bolt of the sliding latch needle used by defendants has and can have no thread-casting function. The thread is in the hook before the sliding latch begins to close. The function of the sliding latch is but to close the hook. It does not and cannot close "over the thread."

Plaintiff's method differs from the method of Semonsen to the same extent that plaintiff's method differs from the method of the two defendants in the suit at Bar, viz., to the same extent that plaintiff's pivoted latch needle differs from defendant's sliding latch needle. The method of each is based on the function or inherent law of operation of the needle it uses. As said in *Vogt Instant Freezers vs. New York Eskimo Pie Corp.*, 69 Fed. (2d) 84, 88 (CCA 2):

> "As the process of defendant is based on the functions of the apparatus it uses, it differs from that of the plaintiff to the same degree that the apparatus differs. The plaintiff's patent discloses neither the apparatus nor the process of the defendant."

CONCLUSION.

The claim in issue is invalid. If valid at all, it is so restricted in scope that it does not embrace defendants' method.

Respectfully submitted,

HUGH M. MORRIS,
NOAH A. STANCLIFFE,
Counsel for Respondent and Cross-Petitioner, Julius Kayser & Company.

JULIAN S. WOOSTER,
DONALD MALCOLM,
Counsel for Respondents and Cross-Petitioners, Hosiery Motor-Mend Corporation and Kayser Hosiery Motor-Mend Corporation.

March, 1935.

APPENDICES

APPENDIX A.

DeMARR.

"Referring to Figs. 3 to 6 of the drawings, an exaggerated view of a run in fabric such as a sweater or a stocking is shown. The operator first inserts the hook 1 through the last loop a of the ravel or run, and beneath the next thread b. The needle is then slid forward until the loop a slides over the free end of the guard *or bridge 4,* as shown in Fig. 4. *The needle is then pulled back in the reverse direction, the loop a sliding back against the* guard *or bridge and swinging it against the hook, as clearly* viewed *in Fig. 5, and the* hook *in the meantime* picking up *thread b as shown in said Fig. 5. The operator now continues to pull the thread b which is held tight by the closing of the* guard *or bridge 4 against the hook, until a loop c is formed in thread b, and it is drawn through the loop a as clearly illustrated in Fig. 6.*

"The operator now lifts the needle carrying the loop c up over and around loop a, pushing the needle forward as in Fig. 3, *through the loop c,* until it opens the guard or bridge and swings it back, *and the hook 1 is inserted beneath the next succeeding thread b. After the loop c shall have slid over the end of the* guard *or bridge and* beneath *it* (as shown in Fig. 4), *the needle is reversed or pulled back,* and the hook carries with it the thread *d* just as it has previously done with thread *b, as shown in Figs.* 4 and 5; *and, as thread d is pulled back,* and *the loop is formed in it,* the already-formed loop *c* slides against the guard or bridge, again closing it, and confining the thread *d* within the hook, whereupon a further pull forms a loop in thread *d* as has been described in connection with thread *b,* and this is pulled through loop *c. Thus the operation is repeated until the run or ravel is repaired, after which the end is held down by a thread or stitch."*

APPENDIX A.

STEPHENS.

"Referring to Figs. 4 to 6 of the drawings an exaggerated view of a run in fabric such as sweater or a stocking is shown. The operator at *first inserts the* magnetized *hook 1 through the last loop a of the ravel or run and beneath the next thread b. The needle is then slid forward until the loop a slides over the free end of the* latch *or bridge 4.* * * * *The needle is then pulled back in the reverse direction, the loop a sliding back against the* latch *or bridge and swinging it against the hook as clearly* shown *in Fig. 5, and the* latch *in the meantime* reaching for and grasping the *thread b* and forcing it into the magnetized hook *as shown in* said *Figure 5.* * * * *The operator now continues to pull the thread b which is held tight by the closing of the* latch *or bridge 4, against the hook until a loop c is formed in* the *thread b and it is drawn through the loop a as clearly illustrated in Fig. 6.* * * *

"The operator now lifts the needle carrying the loop c up over and around loop a, pushing the needle forward as in Fig. 4 through the loop c, and hook 1 is inserted beneath the next succeeding thread d. After the loop c shall have slid over the end of the latch *or bridge and* beyond *it, the needle is reversed or pulled back,* during which motion the latch reaches for and grasps the thread d, forces it into the hook, *just as it has previously done with the thread b as shown in Figs.* 5 and 6, *and as thread d is pulled back, the loop is formed in it,* the guard, in this operation, performing its function as heretofore described. *Thus the operation is repeated until the run or ravel is repaired, after which the end is held down by a thread or stitch."*

APPENDIX B.

POGSON.

"One manner of using the needle for repairing a 'ladder' e shown in a piece of knitted fabric in Fig. 1, is illustrated in the series of views, Figs. 3 to 8, inclusive. In Fig. 3 the needle a with the latch in the open position is in engagement with a loop f formed thereby in the bottom piece of thread or yarn g^1. The needle thus engaged is then moved to the position shown in Fig. 4 to enable the forward hook end to be directed towards the adjacent piece of thread or yarn g under which the hook is passed as shown in Fig. 5 and moved forwardly until the latch b passes the loop f. The direction of movement of the needle a is then reversed with the result that the latch is moved to the closed position by contact with the loop f and the piece of thread or yarn g is enclosed between the hook and the latch and passed under the loop f and formed into a loop g^1 as shown in Fig. 7. In passing the loop g^1 under the loop f, the latter passes out of engagement with the needle and the latter is then free to be moved forwardly over the loop f for engagement with a piece of thread or yarn h as shown in Fig. 8. Upon the hook being engaged with the piece of thread or yarn h, the loop passes beyond the end of the latch and a reversal of the direction of movment of the needle again closes the latch against the hook owing to the contact of the former with the loop g^1, and the loop thus formed in the piece of thread or yarn h is taken under the loop g^1 and the latter disengaged from the needle. * * * When the final loop has been made a piece of thread or yarn, preferably similar to that of the damaged or imperfect knitted fabric, is passed under the loop and into engagement with the margin of the damaged portion and knotted. The introduction of the piece of thread or yarn for tying the last loop may be effected by a sewing needle or by means of the latch needle, as will be obvious."

APPENDIX B.

STEPHENS.

"Referring to Fig. 4 to 6 of the drawings, an exaggerated view of a run in fabric such as a sweater or a stocking is shown. The operator at first inserts the magnetized hook 1 through the last loop a of the ravel or run and beneath the next thread b. The needle is then slid forward until the loop a slides over the free end of the latch or bridge 4. * * * The needle is then pulled back in the reverse direction, the loop a sliding back against the latch or bridge and swinging it against the hook as clearly shown in Fig. 5, and the latch in the meantime reaching for and grasping the thread b and forcing it into the magnetized hook as shown in said Figure 5. * * * The operator now continues to pull the thread b which is held tight by the closing of the latch or bridge 4, against the hook, until a loop c is formed in the thread b and it is drawn through the loop a as clearly illustrated in Fig. 6. * * *

"The operator now lifts the needle carrying the loop c up over and around loop a, pushing the needle forward as in Fig. 4 through the loop c, and hook 1 is inserted beneath the next succeeding thread d. After the loop c shall have slid over the end of the latch or bridge and beyond it, the needle is reversed or pulled back, during which motion the latch reaches for and grasps the thread d, forces it into the hook, just as it is has previously done with the thread b as shown in Figs. 5 and 6, and as thread d is pulled back the loop is formed in it, the guard, in this operation, performing its function as heretofore described. Thus the operation is repeated until the run or ravel is repaired, after which the end is held down by a thread or stitch."

9

SUPREME COURT OF THE UNITED STATES.

Nos. 588 and 653.—October Term, 1934.

588 The Stelos Company, Inc., Petitioner, vs. Hosiery Motor-Mend Corporation, et al.

653 Hosiery Motor-Mend Corporation, et al., Petitioners, vs. The Stelos Company, Inc.

On Writs of Certiorari to the United States Circuit Court of Appeals for the Second Circuit.

[April 29, 1935.]

Mr. Justice Roberts delivered the opinion of the Court.

This cause presents issues as to validity and infringement of claim 23 of the Stephens reissue patent, No. 16,360, for "an improvement in needles and its [sic] method of use." The Stelos Company, owner of the patent, sued Hosiery Motor-Mend Corporation and others for infringement. The District Court adjudged the claim invalid by reason of failure to make proper disclosure of the alleged invention, and anticipation; and also thought that if the claim were sustained the defendants did not infringe, and dismissed the bill.[1] The Circuit Court of Appeals held the prior art required so narrow a construction of the claim as to exclude the method charged as an infringement and affirmed the decree.[2] We granted certiorari[3] to resolve a conflict with a decision of the Court of Appeals of the District of Columbia.[4] In support of the judgment the defendants might have urged the point as to invalidity, decided against them in the Circuit Court of Appeals, without applying for a cross-writ of certiorari.[5] Out of excess of caution, however, they prayed for the writ. Since both writs would run to but one judgment, and bring up the same record, we granted the prayer in No. 653.[6]

To knit is to form a fabric by the interlacing of a single yarn or thread in a series of connected loops. In knitted articles, of which a silk stocking is an example, a break in the thread anywhere in the fabric will cause a number of loops to pull out, leaving in their place parallel threads. The consequent defect is called a ladder or

[1] 60 F. (2d) 1009.
[2] 72 F. (2d) 405.
[3] 294 U. S. —.
[4] *Finch Corp.* v. *Stelos Co.*, 60 App. D. C. 25; 46 F. (2d) 606.
[5] *Langnes* v. *Green*, 282 U. S. 531, 535.
[6] 294 U. S. —.

a run. The only possible method of repair consists in picking up the thread at the end of the run and reknitting by reforming the loops throughout the ladder, fastening the thread upon the completion of the operation. It has long been known that this could be accomplished by the use of a needle having a hook at the end resembling an ordinary crochet needle, but the task involved difficulties and the result was often unsatisfactory.

Stephens' patent is for an improved latch needle for this work, and for a method of executing the repair. Twenty-two claims for the needle are not in issue. Claim 23, which covers the method, is the basis of the suit. The method is stated in the patent to consist:

> "in *stretching* the fabric over a *suitable holder*,
> inserting a repairing device having a hook and *pivoted latch* through a loop formed in the run or raveling,
> continuing this movement on through the fabric *while holding the device laterally out of alignment with the run or raveling* until the loop has slid back over the end of the latch and beneath the latter,
> then reversing the movement of the device through the loop,
> catching the next forward thread in the hook while the loop is being pulled over the latch causing the latch to close over the thread, and the loop to be cast off over the end of the device, the thread caught in the hook thereupon forming a new loop, taking the place of the first-described loop,
> then reinserting the device into the fabric as before, and repeating the operation until the run or raveling has been repaired,
> and finally fastening the thread."

In the commercial method practiced by the owner of the patent and its licensees, the fabric is stretched over the top of a china or porcelain egg-cup held in the left hand. The degree of stretching can in this way be adjusted for the first step in the process and increased or relaxed as the work progresses. The needle is held in the right hand at an angle to the plane of the fabric and worked back and forth through the material. Whether the needle is also inclined laterally out of the line of the run is disputed. The patentee says this is unnecessary and is not in fact practiced. The defendants disagree, and contend that a pivoted latch needle will not otherwise perform its function. The alleged infringers employ a metal holder shaped like an egg-cup and a sliding latch needle, which they punch through the material and draw back at approximately a right angle to the fabric.

Stephens, while in Mexico in 1921 or 1922, noticed a Mrs. DeMarr repairing runs by stretching stockings over her finger and

reforming the loops with a latch needle. On her behalf he forwarded to a patent attorney a description and specification in his own handwriting and an application for patent was filed by Mrs. DeMarr. A half interest was assigned to Stephens. Certain prior patents were cited against the claims and the application was abandoned. Shortly thereafter Stephens filed in his own name an application for patent of an improved pivoted latch needle and for an improved method of repairing runs. The method claim called for the use of a pivoted latch needle having all the features of that described in the application, and was accordingly rejected, *inter alia* because it was not a method claim since it required Stephens' specific construction of the needle. The applicant redrafted the claim to call merely for a pivoted latch needle and added the element that the needle should be held laterally out of alignment with the run. We think the method claim is bad for want of proper disclosure and as lacking invention.

1. The first step is described as "stretching the fabric over a suitable holder." It is now said that an egg-cup or something of like construction is the only suitable holder, because no other device affords a rest for the operator's hand and permits continuous stretching in varying degree during the repair operation. The patent drawings show no holder of any sort. The specifications merely say: "In other methods the fabric is stretched over the finger tip, making it difficult to insert the hook beneath the thread. This objection is obviated in the present invention by stretching the fabric over a porcelain dish, allowing sufficient depth for the free use of the needle." Obviously the phrase "a porcelain dish" is not descriptive of an egg-cup. There is nowhere any reference to the control of the degree of stretching which is now said to be essential and to be afforded only by such a holder. The patentee testified on the trial that he tried and discarded many types of holder until he hit upon this one. If so, why did he not describe or claim it? He did so in an application for patent filed much later. He is upon the horns of a dilemma; he either discovered this form of holder and its virtues prior to the application for this patent or he found it later. If the first supposition be correct his application violated R. S. 4888;[7] if the second his patent does not cover the egg-cup holder.

Nowhere does the claim or the specification disclose the element that the fabric must not be tautly stretched over the holder, or

[7] U. S. C. Tit. 35, § 33. Notice that defendants would defend on this ground was given in accordance with R. S. 4920; U. S. C. Tit. 35, § 69.

that it must be so held that the tension can be varied. It is said that the use of the present participle "stretching" rather than the past participle "stretched" makes the matter clear; but scrutiny of both claim and specification discloses no teaching as to the stretching of the fabric, or any regulation of the tension, or that it may not be tightly stretched over the holder and secured in that condition prior to commencing the repair. The specification of a "suitable" holder certainly covers none of these alleged essentials. These omissions emphasize the failure to make the fair disclosure demanded by R. S. 4888.

The patentee says that in the old finger method the needle necessarily was held nearly in the plane of the fabric, whereas in his method it is approximately at a right angle thereto, and operated by a punching motion. The description of the operation in the patent is almost identical with that of Mrs. DeMarr's abandoned application, drawn in Stephens' own hand, which was for the finger as contrasted with the punch method; and, so far as the angle at which the needle is to be held, is very similar to Pogson's disclosure in 1921, which Stephens says does not describe the punch method. When we come to the claim, we find the phrase "while holding the device laterally out of alignment with the run." This, we are told, is novel, and means that the needle is not to be used in or nearly parallel with the plane of the fabric, but at an angle thereto. "Laterally out of alignment to the run" is not equivalent to "at an angle to the plane of the fabric". That the applicant did not intend it to be so understood is shown by his repeated use of the word laterally, in the specifications, as the equivalent of off to one side; and by this sentence: "The clearance afforded . . . makes it possible to hold the needle down closer to the fabric. . . ." There is no disclosure of any up and down punch system, such as the defendants use.

2. Pivoted latch needles are old in the art. Holders which have an opening to give room for the insertion of a needle such as that of an egg-cup are old for use in darning. The method of reforming loops in knitted goods with pivoted latch needles was known prior to the application for this patent. The combination of the use of the egg-cup type holder and the pivoted latch needle did not entitle Stephens to a patent and the addition of the element that the needle should be held at an angle to the plane of the fabric, if that is in fact what the claim means, is insufficient to raise the method to the dignity of invention.

Judgment affirmed.